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S E C R E T ROME 002827

SIPDIS

E.O. 12958: DECL: 06/20/2013

TAGS: ETTC PREL IT CH EXPORT CONTROLS
SUBJECT: ALENIA SPAZIO AND CHINA: FURTHER GOI VIEWS ON PROPOSED CONSULTATIONS

REF: A. BURKHEAD-KILNER 6/18/03 EMAIL

¶B. ROME 2340 1C. STATE 138499

CLASSIFIED BY: ECONOMIC MINISTER-COUNSELOR SCOTT KILNER FOR REASONS 1.5

- ¶1. (U) ACTION REQUEST: SEE PARAGRAPH 6.
- (S) ECMIN AND ECONOFF MET WITH MFA EXPORT CONTROL COORDINATOR UGO DE MOHR ON JUNE 20 TO DISCUSS PROPOSED AD HOC CONSULTATIONS ON BOTH ALENIA SPAZIO'S ACTIVITY IN CHINA AS WELL AS OTHER MUTUAL NON-PROLIFERATION CONCERNS (REF C).
- (S) ECMIN DREW DE MOHR'S ATTENTION TO WASHINGTON'S CONTINUED CONCERN THAT THE GOI PROVIDE WRITTEN ASSURANCES TO THE U.S. THAT ALENIA SPAZIO HAD TERMINATED COMPLETELY THE TWO SATELLITE STUDIES FOR CHINA. DE MOHR STATED UNAMBIGUOUSLY (NOTWITHSTANDING VARRICCHIO'S COMMENTS TO DAS ROBERT MAGGI -(ROTALINATION VARIABLE) AS COMMENTS DAS ROBERT MAGGI-REF. A) THAT A LETTER RESPONDING TO A/S BLOOMFIELD'S LETTER (REF. C) HAD BEEN DRAFTED AND WAS READY FOR DG MAGLIANO'S SIGNATURE, EXPECTED EARLY NEXT WEEK. DE MOHR ADDED THAT ALENIA SPAZIO HAS NOT RESPONDED TO CHINA REGARDING ANY OF THE FIVE PROJECTS THAT ALENIA HAD RAISED WITH THE U.S. (INCLUDING THE TWO TO WHICH THE U.S. HAS NO OBJECTIONS), AND DOES NOT INTEND TO DO SO PRIOR TO THE AD HOC CONSULTATIONS.
- 14. (S) DE MOHR PASSED US A PROPOSED NOTIONAL SCHEDULE THAT GENERALLY FOLLOWS THAT SUGGESTED BY VARICCHIO IN HIS MEETING WITH DAS MAGGI (EMBASSY HAS FAXED DE MOHR'S DRAFT TO EUR/WE). INITIAL GOVERNMENT-TO-GOVERNMENT TALKS TUESDAY MORNING, JULY WOULD BE EXPANDED IN THE SECOND SESSION TO INCLUDE ALENIA SPAZIO REPRESENTATIVES IN A DISCUSSION OF THE FIVE PROPOSED CHINA PROJECTS. DE MOHR SAID HE DID NOT ENVISION ANY OTHER PRIVATE SECTOR PARTICIPATION, INCLUDING ANY OTHER FINMECCANICA ENTITIES. AFTERNOON DISCUSSIONS WOULD INCLUDE SESSIONS ON REMOTE SENSING SPACE POLICY AND BILATERAL COMMERCIAL COOPERATION IN TRANSFERS OF DUAL USE ITEMS. ON WEDNESDAY MORNING, JULY 23, WOULD COVER BILATERAL COOPERATION TOWARD THIRD COUNTRIES ON SENSITIVE DUAL USE TALKS EXPORTS.
- (S) DE MOHR TOLD US THE KEY GOI PARTICIPANTS WOULD INCLUDE REPRESENTATIVES OF THE MINISTRIES OF FOREIGN AFFAIRS, DEFENSE, AND PRODUCTIVE ACTIVITIES (BOTH THE INDUSTRY AND FOREIGN TRADE COMPONENTS), ALTHOUGH OTHER MINISTRIES MIGHT BE INVOLVED (FINANCE/CUSTOMS AND EDUCATION). ECMIN SUGGESTED THAT KEEPING THE NUMBER OF PARTICIPANTS SMALL WOULD FACILITATE USEFUL DISCUSSIONS, AS WOULD LIMITING THE PARTICIPATION OF ALENIA SPAZIO TO THE DISCUSSION OF THE FIVE SPECIFIC CHINA PROJECTS. DE MOHR RESPONDED THAT THE MAKEUP OF THE ITALIAN DELEGATION WOULD BE INFLUENCED BY THE COMPOSITION OF THE U.S. DELEGATION. HE ALSO INDICATED GOI FLEXIBILITY ON THE QUESTION OF ALENIA SPAZIO PARTICIPATION, BEYOND THE SPECIFIC DISCUSSION OF THE CHINA PROJECTS.
- (S) ACTION REQUEST: GOI REQUESTS USG COMMENTS ON THE PROPOSED TIMING AND AGENDA, AND WELL AS U.S. PARTICIPATION AND PARTICIPATION OF ALENIA SPAZIO, BY THE FIRST WEEK OF
  JULY, IF AT ALL POSSIBLE. DE MOHR TOLD US THAT JULY 22 IS
  THE EARLIEST DATE THAT THE GOI COULD PULL TOGETHER A TEAM. HE
  ALSO NOTED THAT IT WOULD BE DIFFICULT TO SCHEDULE DISCUSSIONS ANY LATER THAN THE WEEK ENDING AUGUST 1, WHEN THE SUMMER VACATION PERIOD COMES INTO FULL SWING. SEMBLER

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